



FOR COUNCIL USE ONLY	
City Council	
Item No.	_____

CITY COUNCIL OF THE CITY OF CALEXICO FACT SHEET

Human Resources/Risk Management
Department

August 11, 2010
Requested Date

1. **Request:**

City Council approval	<input checked="" type="checkbox"/>	Information Only/ Presentation	<input type="checkbox"/>
Other (specify)	<input type="checkbox"/>	Hearing	<input type="checkbox"/>

2. **Requested Action:**

Approval of Letter of Intent to enter into a Memorandum of Understanding with the Calexico Fire Fighters Association

3. **Fiscal Impact:**

Revenue:	Increase <input type="checkbox"/>	Source:	_____
	Decrease <input type="checkbox"/>	Amount:	_____
Cost:	Increase <input type="checkbox"/>	Source:	General Fund
	Decrease <input checked="" type="checkbox"/>	Amount:	\$239,936.00
Does Not Apply <input type="checkbox"/>			

4. **Reviewed By:**

Finance Dept. on _____ By: _____
Comments: _____

City Attorney on _____ By: _____
Comments: _____

Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.



CITY COUNCIL DATE: _____

Action	<input type="checkbox"/>	Filing	<input type="checkbox"/>
Consent	<input type="checkbox"/>	Presentation	<input type="checkbox"/>
Hearing	<input type="checkbox"/>	Other(specify)	<input type="checkbox"/>

Reviewed by: City Clerk _____
Date _____

City Manager _____
Date _____

CITY COUNCIL AGENDA REPORT

**SUBJECT: APPROVAL OF LETTER OF INTENT TO ENTER INTO A
MEMORANDUM OF UNDERSTANDING WITH THE CALEXICO FIRE
FIGHTERS ASSOCIATION**

AGENDA DATE: August 11, 2010

**PREPARED BY: Victor M. Carrillo, City Manager and Rosalind Guerrero, Human
Resources Director**

APPROVED FOR AGENDA BY: Victor M. Carrillo, City Manager

RECOMMENDATION: Staff recommends Council approve this Letter of Intent.

FISCAL IMPACT: Fair share reduction in the amount of approximately \$239,936.00
equivalent to 12 shifts/288 hours

BACKGROUND:

The Memorandum of Understanding ("MOU") between the City and the Callexico Fire Fighters Association for fiscal years 2009-2010 expired on June 30, 2010. The Fire Fighters Association Director's are the exclusive bargaining agent for the bargaining unit.

The City's Negotiation Team, composed of the City Manager, Assistant City Manager, Finance Director, and Human Resources Director, and representatives of the bargaining unit held "meet and confer" meetings from May 2010 to August 2010, in an effort to reach agreement on a new Memorandum of Understanding.

During the meet and confer process, the City and the bargaining unit reached tentative agreement on several proposals, specifically:

- 1.) The parties agree to a new MOU for the period of July 1, 2010 through June 30, 2011;
and
- 2.) Employees agree there will be no COLAs or salary adjustments in Fiscal Year 2010-
2011; and
- 3.) Employees agree to a work furlough in the amount of 12 days (288 hours), and an
amount equivalent shall be deducted from each employee's salary in Fiscal Year 2010-
2011; and
- 4.) The furlough hours shall remain in a furlough leave balance account for each employee,
which must be used during fiscal years 2010-2011 and 2011-2012 according to
subsections (A) through (D) below. Employees will be able to use the furlough days, as
days off of work, up until June 30, 2012. Work furlough is subject to the following rules:

- a. Employees' regular paycheck shall be reduced by an amount equal to the total dollar amount of furlough divided by the number of pay periods remaining in the fiscal year.
- b. The use of furlough hours must be pre-approved by employee's immediate supervisor. In cases where approvals relating to which employee within a particular classification will work during the furlough period, seniority shall not be the sole determining factor. Consideration shall also be given to employee preferences, equity, and needs of the employee's Department and the City. Employees will not be denied use of furlough leave for arbitrary or capricious reasons. The City will have a legitimate business need to deny an employee's request for furlough leave.
- c. Furlough hours will be prorated for new hires, terminating employees, and employee who have an established schedule of three-quarter (3/4) time or less.
- d. Employees scheduled to be off during a furlough period, who are called in to work due to operational necessity, shall have the option of having appropriate number of hours of furlough leave credited to their furlough leave balance account or receiving overtime compensation for the actual hours worked.

DISCUSSION:

The attached Letter of Intent was tentatively agreed to on July 20, 2010 by the negotiating teams of both parties. The Letter of Intent has been ratified and approved by the membership of the bargaining unit. Therefore, upon approval by the City Council, the terms of the Letter of Intent will take effect immediately. After approval, both parties will continue to meet and confer to finalize the final language of the MOU which will be brought back to the Council for final approval as soon as it is finalized.

The Letter of Intent embodies the key items of the proposed MOU and also incorporates the items listed as 1 - 4 above that were already agreed to by the parties and are evidenced in the attached Letter of Intent.

Attachment: Letter of Intent

CITY COUNCIL RESOLUTION NO. _____
**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO,
CALIFORNIA, APPROVING AND ADOPTING A LETTER OF INTENT TO
ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE
MEMBERS OF THE CALEXICO FIRE FIGHTERS ASSOCIATION**

WHEREAS, Employer-Employee Relations for the City of Calexico (hereinafter, "City") are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act, and Calexico City Council Resolution No. 2204, entitled: "Resolution of the City Council of the City of Calexico Pertaining to Employer-Employee Relations for the City of Calexico," dated July 7, 1970, which is also referred to as the "Employer-Employee Relations Resolution of the City of Calexico" (hereinafter, "Resolution 2204"); and

WHEREAS, the Memorandum of Understanding between the City and the Calexico Fire Fighters Association for fiscal year 2009-2010 expired on June 30, 2010; and

WHEREAS, the City is experiencing a severe financial crisis and if the City maintains the status quo, estimated General Fund appropriations for fiscal year 2010-2011 exceed revenues by approximately \$5.4 million based on various issues including, declining property tax revenue, declining sales tax revenue, and a recent approval by the State to take some of the City's money; and

WHEREAS, the Calexico Fire Fighters Association Directors (hereinafter, "bargaining unit") are the exclusive bargaining agents for the bargaining unit; and

WHEREAS, the City, represented by the City Manager, Assistant City Manager, Finance Director, Human Resources Director, and representatives of the bargaining unit held "meet and confer" meetings regularly between May 2010 through August 2010 in an effort to reach agreement on a new Memorandum of Understanding; and

WHEREAS, during the meet and confer process, the City and the bargaining unit reached tentative agreement on several provisions, which are signed, attached as **Exhibit 1** to this Resolution and fully incorporated by reference herein; and

WHEREAS, the attached Letter of Intent (Exhibit 1) has been ratified and approved by the membership of the bargaining unit;

NOW, THEREFORE, the City Council of the City of Calexico hereby resolves, determines, and orders as follows:

SECTION 1: The above recitals are true and correct.

SECTION 2: The City Council hereby approves the tentative agreements, attached as **Exhibit 1** to this Resolution and more fully described herein, as agreed-upon

terms and conditions of employment of members of the bargaining unit. These agreed-upon terms and conditions of employment are as follows:

1. The parties agree to a new MOU for the period of July 1, 2010 through June 30, 2011; and
2. Employees agree there will be no COLAs or salary adjustments in Fiscal Year 2010-2011; and
3. Employees agree to a work furlough in the amount of 12 days (288 hours), and an amount equivalent shall be deducted from each employee's salary in Fiscal Year 2010-2011; and
4. The furlough hours shall remain in a furlough leave balance account for each employee, which must be used during Fiscal Years 2010-2011 and 2011-2012 according to subsections (A) through (D) below. Employees will be able to use the furlough days, as days off of work, up until June 30, 2012. Work furlough is subject to the following rules:
 - a. Employees' regular paycheck shall be reduced by an amount equal to the total dollar amount of furlough divided by the number of pay periods remaining in the fiscal year.
 - b. The use of furlough hours must be pre-approved by employee's immediate supervisor. In cases where approvals relating to which employee within a particular classification will work during the furlough period, seniority shall not be the sole determining factor. Consideration shall also be given to employee preferences, equity, and needs of the employee's Department and the City. Employees will not be denied use of furlough leave for arbitrary or capricious reasons. The City will have a legitimate business need to deny an employee's request for furlough leave.
 - c. Furlough hours will be prorated for new hires, terminating employees, and employee who have an established schedule of three-quarter (3/4) time or less.
 - d. Employees scheduled to be off during a furlough period, who are called in to work due to operational necessity, shall have the option of having appropriate number of hours of furlough leave credited to their furlough leave balance account or receiving overtime compensation of the actual hours worked.

Be it further resolved that the City Council directs the City Manager, or his designee, to take any and all necessary and appropriate actions to immediately implement these agreed-upon terms and conditions of employment.

SECTION 3: No provision within this Resolution is intended to alter, amend, or modify any employee rights, provided by Resolution 2204, California Government Code section 3505.4, and other applicable and relevant federal, state, and local law.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calexico at its meeting held on the 11th day of August 2010, by the following roll call vote:

AYES:

NOES:

ABSENT:

JOHN MORENO, MAYOR

ATTEST:

LOURDES CORDOVA, CITY CLERK

APPROVED AS TO FORM:

JENNIFER M. LYON, CITY ATTORNEY

STATE OF CALIFORNIA)

Letter of Intent to Enter into a Memorandum of Understanding

WHEREAS, the Memorandum of Understanding ("MOU") between the City and the Calexico Firefighters' Association ("Fire Fighters") for fiscal year 2009-2010 expired on June 30, 2010; and

WHEREAS, the parties held "meet and confer" sessions in an effort to reach an agreement on a new MOU;

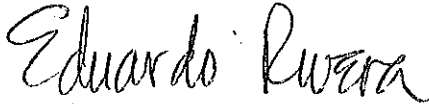
NOW THEREFORE, the City Manager and Fire Fighters' Association mutually agree as follows:

- 1.) The parties agree to a new MOU for the period of July 1, 2010 through June 30, 2011; and
- 2.) Employees agree there will be no COLAs or salary adjustments in Fiscal Year 2010-2011; and
- 3.) Employees agree to a work furlough in the amount of 12 days (288 hours), and an amount equivalent shall be deducted from each employee's salary in Fiscal Year 2010-2011; and
- 4.) The furlough hours shall remain in a furlough leave balance account for each employee, which must be used during fiscal years 2010-2011 and 2011-2012 according to subsections (A) through (D) below. Employees will be able to use the furlough days, as days off of work, up until June 30, 2012. Work furlough is subject to the following rules:
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 - c. Furlough hours will be prorated for new hires, terminating employees, and employee who have an established schedule of three-quarter (3/4) time or less.
 - d. Employees scheduled to be off during a furlough period, who are called in to work due to operational necessity, shall have the option of having appropriate number of hours of furlough leave credited to their furlough leave balance account or receiving overtime compensation for the actual hours worked.
- 5.) After signing below, the Fire Fighters will immediately submit this Letter of Intent to its membership for ratification;
- 6.) That the City will submit the Letter of Intent to the City Council for approval at the next regular meeting after the City has been informed that the Fire Fighters' membership has approved the Letter of Intent; and

- 7.) The provisions in this Letter of Intent shall go into effect immediately upon approval by City Council; and
- 8.) Parties will continue to meet and confer to finalize the language of the MOU within a reasonable time period after execution of this Letter of Intent.

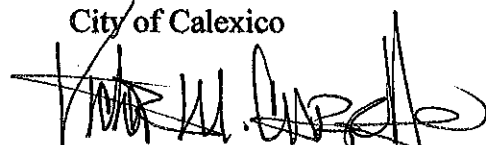
Executed on July 20, 2010 in Calexico, California by:

Fire Fighters Association:



Negotiating Team Member

City of Calexico



Victor Carrillo, City Manager